



Date of Council Meeting: July 13, 2015

INFORMATION MEMO

**TOWN OF LEESBURG
TOWN COUNCIL WORK SESSION**

Subject: Downtown Improvements Project - Budget Status

Staff Contact: Renée M. LaFollette, P.E., Director, Public Works & Capital Projects
Tom Brandon, Capital Projects Manager, Public Works & Capital Projects

Council Action Requested: None. Information only.

Staff Recommendation: None.

Commission Recommendation: None.

Fiscal Impact: The total project budget of \$5,628,200 will not be exceeded as directed by Council. However, not all of the original improvements planned along North King street will be completed unless future funding is provided.

Work Plan Impact: None.

Executive Summary: The Downtown Improvements Project has endured a lengthy design process and has been constructed in multiple phases. As a result, the project has experienced higher than anticipated costs and not all of the original improvements planned along North King Street will be completed unless future funding is provided. The estimates provided by the design engineer at the beginning of the design process did not take into account any escalation in pricing to the mid-points of construction and there were issues found during design and construction that have caused increased costs.

Background: The Downtown Improvement project was added to the Fiscal Year 2010 – 2014 Capital Improvement Program (CIP). There have been numerous community and Town Council meetings associated with this project to develop the desired enhancements. The Downtown Improvements, as originally added to the CIP, included:

- Improvements to Loudoun Street from King Street to the east end triangle;
- Improvements to the east end triangle;
- Improvements to the alley ways between the parking garage and King Street; and
- Widened sidewalks on King Street from Loudoun to North Street.

All of these improvements include storm drainage, curb, gutter, and sidewalk work. The original budget in the Fiscal Year 2016 CIP was \$5 million.

The table below compares the original estimated cost with the actual cost, and provides the major reasons for any discrepancy.

Work Item	Original Estimate (Note 1)	Actual Cost	Reasons
Engineering Design	\$627,836	\$1,195,780	<ul style="list-style-type: none"> Development and analysis of numerous alternatives for providing wider sidewalks and on-street parking on King Street. Analysis and cost estimates of numerous “Voices for Amazing Place” concepts for “convertible parking / sidewalks along King Street. Preparation of renderings and exhibits for public meetings and Council meetings to reflect various alternative designs. Coordination with the Leesburg Central development to separate those frontage improvements from the overall Loudoun Street improvements. Separation of the construction into various small construction contracts: <ol style="list-style-type: none"> (1) Alley Improvements and East End Triangle Improvements (2) Loudoun Street between South King and Church (3) Loudoun Street Temporary Curb between Church and Harrison (4) Loudoun Street between Church and East Market (5) South King between Royal and Loudoun (6) King Street east side between Loudoun and Cornwall (7) King Street west side between Loudoun and Cornwall and east side between Cornwall and Church Addition of drainage improvements at the intersection of Market and King Development of public outreach /advertising program for the project
East End Triangle & Alley Walkways	\$811,000	\$640,274	<ul style="list-style-type: none"> Utility relocation costs were less than expected.
Loudoun Street	\$703,000	\$1,564,912	<ul style="list-style-type: none"> Additional costs from dividing the project into four construction contracts (three by the Town and one by the Leesburg Central Development). Additional costs to reconstruct portions of Loudoun Street and add underdrain system to stabilize pavement. Escalation of construction costs for five years between summer 2010 when the original estimate was prepared and summer 2015 when the construction will be completed.
King Street	\$1,512,000	\$2,667,668 (Note 2)	<ul style="list-style-type: none"> Additional costs from dividing the project into three construction contracts. Cost to reconstruct substandard storm drain system at the King Street / Market Street intersection which was not included in the original concept. Costs for reconstruction of the traffic signal system at the King Street / Market Street intersection that was not known to be required at the time of the original concept. Escalation of construction costs for five years between summer 2010 when the original estimate was prepared and fall 2015 when the construction will be completed.
Market Street Improvements	\$500,000	\$0	<ul style="list-style-type: none"> Work completed by developer at no cost to the Town.
Staff Project Management Costs	\$0	\$353,200	<ul style="list-style-type: none"> These costs were added to the Fiscal Year 2016-2021 budget for staff costs related to administering the capital project.
TOTALS	\$4,153,836	\$6,421,834	

Note 1 – The 09/14/10 Town Council Memo included only estimates of construction cost, and did not include costs for engineering design. The budget amount shown for engineering is the original engineering contract amount.

Note 2 – The cost shown reflects the total estimated cost for King Street improvements between Royal Street and North Street based on recently received construction bids. The construction contract awarded for King Street improvements included only the segment from Loudoun Street to Market Street.